



# Kansas Health Care Stabilization Fund

---

Website <http://hcsf.kansas.gov>  
E-mail [hcsf@hcsf.org](mailto:hcsf@hcsf.org)  
Fax: 785-291-3550

300 S.W. 8<sup>th</sup> Avenue, Second Floor  
Topeka, Kansas 66603-3912  
Phone 785-291-3777

## FISCAL YEAR 2017 ANNUAL REPORT Prepared by C. Wheelen, Executive Director Adopted by the Board of Governors September 14, 2017

The following information is reported on behalf of the Health Care Stabilization Fund Board of Governors in accordance with K.S.A. 40-3403(b)(1)(C). This report is for the fiscal year that ended June 30, 2017.

1. Net premium surcharge collections amounted to \$28,121,164.
2. The lowest surcharge rate for a health care provider was \$100 for a first year provider selecting the lowest HCSF coverage option (\$100,000 per claim subject to \$300,000 annual aggregate limit).
3. The highest surcharge rate for a health care professional was \$16,510 for a neurosurgeon with four or more years of Health Care Stabilization Fund liability exposure who selected the highest coverage option (\$800,000 per claim subject to \$2.4 million annual aggregate limit). If a Kansas resident neurosurgeon was also licensed to practice in Missouri, the 30% Missouri modification factor would result in a total premium surcharge of \$21,463.
4. There were 16 medical professional liability cases involving 23 health care providers that went to jury trials. Fourteen of these cases resulted in defense verdicts and one trial resulted in a split verdict. One trial in Johnson County resulted in a verdict for the plaintiff.
5. During the past fiscal year 503 open claims were closed. Of those claims, only 65 (12.9%) resulted in Fund obligations. Fifty-three cases involving 64 claims were settled, which resulted in Health Care Stabilization Fund obligations amounting to \$21,745,583. The average Stabilization Fund compensation per settlement was \$339,775. These amounts are in addition to compensation paid by primary insurers, typically \$200,000 per claim.
6. Because of periodic payment of compensation and other cash-flow characteristics, the amount reported above in item five was not the same as the amount actually paid during FY2017. Total claims expenditures during the fiscal year amounted to \$23,976,127.
7. The balance sheet as of June 30, 2017 accepted by the HCSF Board of Governors indicates total assets amounting to \$286,690,985 and total liabilities amounting to \$238,059,073.

---

### BOARD OF GOVERNORS

Jimmie A. Gleason, M.D., Chairman  
Harold M. Chalker, D.C.  
Joel M. Feder, D.O.  
Kiley A. Floyd

Jeffery W. Glasgow, C.R.N.A.  
Donald W. Hatton, M.D.  
Kevin D. McFarland

John W. Mize, J.D., Vice-Chairman  
Steven R. Short, D.O.  
Travis W. Stembbridge, M.D.  
Robert N. Wright, M.B.A., C.P.A.